BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to §4928.143, Ohio Rev. Code,)))	Case No. 11-346-EL-SSO Case No. 11-348-EL-SSO
in the Form of an Electric Security Plan.)	
In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Approval of Certain Accounting Authority.)))	Case No. 11-349-EL-AAM Case No. 11-350-EL-AAM
In the Matter of the Commission Review of the Capacity Charges of Ohio Power Company and Columbus Southern Power Company.))	Case No. 10-2929-EL-UNC

MEMORANDUM CONTRA OF DUKE ENERGY COMMERCIAL ASSET MANAGEMENT AND DUKE ENERGY RETAIL SALES IN OPPOSITION TO MOTION TO CONSOLIDATE

In a highly unusual move, Ohio Power Company (Ohio Power) has proposed the consolidation of proceedings that have already been decided by the Public Utilities Commission of Ohio (Commission). The proposal should be rejected as unnecessary and entirely inappropriate.

The standard service offer and accounting authority application proceedings identified above (Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-349-EL-AAM, and 11-350-EL-AAM; collectively referred to as SSO Cases) were commenced by Ohio Power through the filing, on January 27, 2011, of an Application. The SSO Cases have proceeded along a long and tortured path, as the Commission is well aware. Nevertheless, they are nearing completion, with the

Commission having issued its Opinion and Order on August 8, 2012, and applications for rehearing having been filed on September 7, 2012.

The final case identified in the caption (Case No. 10-2929-EL-UNC, referred to as Capacity Case) was commenced by the Commission through the issuance of an order establishing an interim state compensation mechanism for capacity services and initiating a review of the impact of that mechanism. Like the SSO Cases, the Capacity Case also been the subject of much litigation, and it is even closer to completion than the SSO Cases. The Opinion and Order in the Capacity Case was issued on July 2, 2012, and rehearing applications were docketed on August 1, 2012.

From a procedural standpoint, these cases are almost complete. Ohio Power suggests that the issues in the cases are "best explained, understood, and supported" in a "comprehensive and integrated manner." But Ohio Power's work – explaining, understanding, and supporting – is done. Little if any administrative efficiency can be gained at this point by consolidation. In reality, the filing of the motion to consolidate added more inefficiency to the entire process than the consolidation at this point could possibly hope to gain.

Critically, Ohio Power conflates the issues in the two proceedings, not wanting to recognize the substantial difference in the considerations behind establishing a state compensation mechanism for recovering the cost to provide capacity services and approving a plan for the pricing of retail electric services. While capacity service cost recovery may have an impact on the price to be charged for the provision of competitive retail electric services, such an impact does not necessitate consolidation. Indeed, consolidation of the review of a state compensation mechanism for capacity services into Ohio Power's SSO Cases would needlessly complicate the SSO. The Commission went to the enormous effort to create separate records in the proceedings. They should be retained in that manner.

It is also noteworthy that not every party in one proceeding is a party in the other. Ohio Power's suggestion to consolidate would force any entity that was only a part of one process to become familiar with all of the issues in the other. This burden is unnecessary.

WHEREFORE, for the reasons more fully set forth above, DER and DECAM respectfully request that the Commission retain the independent consideration of the SSO Cases and the Capacity Case, denying Ohio Power's motion to consolidate the above-referenced proceedings.

Respectfully submitted,

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and

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing document was served this // day of September, 2012, by electronic mail, upon the persons listed below.

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